

# House File 2288 - Introduced

HOUSE FILE 2288  
BY COMMITTEE ON STATE  
GOVERNMENT

(SUCCESSOR TO HSB 578)

## A BILL FOR

1 An Act relating to reporting and other requirements concerning  
2 the department of administrative services and other state  
3 agencies.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 7A.3, subsection 2, Code 2014, is amended  
2 by striking the subsection.

3 Sec. 2. Section 8A.110, subsection 5, Code 2014, is amended  
4 by striking the subsection.

5 Sec. 3. Section 8A.111, subsection 2, Code 2014, is amended  
6 to read as follows:

7 2. ~~Internal service fund service business plans and~~  
8 ~~financial reports as required under section 8A.123, subsection~~  
9 ~~5, paragraph "a", and an~~ An annual internal service fund  
10 expenditure report as required under section 8A.123, subsection  
11 5, paragraph "b".

12 Sec. 4. Section 8A.111, subsections 5 and 11, Code 2014, are  
13 amended by striking the subsections.

14 Sec. 5. Section 8A.123, subsection 5, paragraph a, Code  
15 2014, is amended by striking the paragraph.

16 Sec. 6. Section 8A.315, subsection 2, Code 2014, is amended  
17 by adding the following new paragraph:

18 NEW PARAGRAPH. e. Notwithstanding the requirements of this  
19 subsection regarding the purchase of recycled printing and  
20 writing paper, the department may purchase printing and writing  
21 paper in lieu of recycled paper if the department determines  
22 that the purchase will result in significant savings to the  
23 state.

24 Sec. 7. Section 8A.321, subsection 6, paragraph c,  
25 subparagraph (1), Code 2014, is amended to read as follows:

26 (1) ~~The department shall annually issue a request for~~  
27 ~~proposals for leasing privately owned office space for state~~  
28 ~~employees in the downtown area of the city of Des Moines.~~  
29 Prior to replacing or renovating publicly owned buildings or  
30 relocating any state agencies at the seat of government to  
31 any space in publicly owned buildings, the department shall  
32 issue a request for proposals for leasing privately owned  
33 office space for state employees in the downtown area of the  
34 city of Des Moines and shall use such proposals to compare the  
35 costs of privately owned space to publicly owned space. The

1 department shall locate state employees in office space in  
2 the most cost-efficient manner possible. In determining cost  
3 efficiency, the department shall consider all costs of the  
4 publicly owned space, the costs of the original acquisition  
5 of the publicly owned space, the costs of tenant improvements  
6 to the publicly owned space, and the anticipated economic and  
7 useful life of the publicly owned building space.

8 Sec. 8. Section 8A.362, subsection 4, paragraph c, Code  
9 2014, is amended by striking the paragraph.

10 Sec. 9. Section 8A.378, unnumbered paragraph 3, Code 2014,  
11 is amended to read as follows:

12 The department shall negotiate implementation of the plan  
13 with the city of Des Moines with the goal of entering into  
14 a memorandum of understanding in relation to the plan. ~~The~~  
15 ~~department shall provide the governor and the capitol planning~~  
16 ~~commission with quarterly reports regarding progress made~~  
17 ~~on the capitol view preservation plan and execution of the~~  
18 ~~memorandum of understanding.~~

19 Sec. 10. Section 8A.504, subsection 1, paragraphs a, b, and  
20 d, Code 2014, are amended to read as follows:

21 a. "Collection entity" means the department of  
22 administrative services and any other ~~state~~ public agency that  
23 maintains a separate accounting system and elects to establish  
24 a debt collection setoff procedure for collection of debts owed  
25 to the ~~state or its agencies~~ public agency.

26 b. "Person" does not include a ~~state~~ public agency.

27 d. "State Public agency" means a board, commission,  
28 department, including the department of administrative  
29 services, or other administrative office or unit of the  
30 state of Iowa or any other state entity reported in the  
31 Iowa comprehensive annual financial report, or a political  
32 subdivision of the state, or an office or unit of a political  
33 subdivision. "State Public agency" does include the clerk  
34 of the district court as it relates to the collection of a  
35 qualifying debt. "State Public agency" does not include the

1 general assembly or the governor.

2 Sec. 11. Section 8A.504, subsections 2, 3, and 5, Code 2014,  
3 are amended to read as follows:

4 2. *Setoff procedure.* The collection entity shall establish  
5 and maintain a procedure to set off against any claim owed to a  
6 person by a state public agency any liability of that person  
7 owed to a state public agency, a support debt being enforced  
8 by the child support recovery unit pursuant to chapter 252B,  
9 or such other qualifying debt. The procedure shall only apply  
10 when at the discretion of the director it is feasible. The  
11 procedure shall meet the following conditions:

12 a. Before setoff, a person's liability to a state public  
13 agency and the person's claim on a state public agency shall be  
14 in the form of a liquidated sum due, owing, and payable.

15 b. Before setoff, the state public agency shall obtain  
16 and forward to the collection entity the full name and social  
17 security number of the person liable to it or to whom a claim is  
18 owing who is a natural person. If the person is not a natural  
19 person, before setoff, the state public agency shall forward to  
20 the collection entity the information concerning the person as  
21 the collection entity shall, by rule, require. The collection  
22 entity shall cooperate with other state public agencies in  
23 the exchange of information relevant to the identification  
24 of persons liable to or claimants of state public agencies.  
25 However, the collection entity shall provide only relevant  
26 information required by a state public agency. The information  
27 shall be held in confidence and used for the purpose of setoff  
28 only. Section 422.72, subsection 1, does not apply to this  
29 paragraph.

30 c. Before setoff, a state public agency shall, at least  
31 annually, submit to the collection entity the information  
32 required by paragraph "b" along with the amount of each person's  
33 liability to and the amount of each claim on the state public  
34 agency. The collection entity may, by rule, require more  
35 frequent submissions.

1     *d.* Before setoff, the amount of a person's claim on a ~~state~~  
2 public agency and the amount of a person's liability to a ~~state~~  
3 public agency shall constitute a minimum amount set by rule of  
4 the collection entity.

5     *e.* Upon submission of an allegation of liability by a ~~state~~  
6 public agency, the collection entity shall notify the ~~state~~  
7 public agency whether the person allegedly liable is entitled  
8 to payment from a ~~state~~ public agency, and, if so entitled,  
9 shall notify the ~~state~~ public agency of the amount of the  
10 person's entitlement and of the person's last address known to  
11 the collection entity. Section 422.72, subsection 1, does not  
12 apply to this paragraph.

13     *f.* (1) Upon notice of entitlement to a payment, the  
14 ~~state~~ public agency shall send written notification to that  
15 person of the ~~state~~ public agency's assertion of its rights  
16 to all or a portion of the payment and of the ~~state~~ public  
17 agency's entitlement to recover the liability through the  
18 setoff procedure, the basis of the assertion, the opportunity  
19 to request that a jointly or commonly owned right to payment  
20 be divided among owners, and the person's opportunity to  
21 give written notice of intent to contest the amount of the  
22 allegation. ~~The state agency shall send a copy of the notice~~  
23 ~~to the collection entity.~~ A public agency shall provide the  
24 person with an opportunity to contest the liability. A ~~state~~  
25 public agency subject to chapter 17A shall give notice, conduct  
26 hearings, and allow appeals in conformity with chapter 17A.

27     (2) However, upon submission of an allegation of the  
28 liability of a person which is owing and payable to the  
29 clerk of the district court and upon the determination by the  
30 collection entity that the person allegedly liable is entitled  
31 to payment from a ~~state~~ public agency, the collection entity  
32 shall send written notification to the person which states the  
33 assertion by the clerk of the district court of rights to all  
34 or a portion of the payment, the clerk's entitlement to recover  
35 the liability through the setoff procedure, the basis of the

1 assertions, the person's opportunity to request within fifteen  
2 days of the mailing of the notice that the collection entity  
3 divide a jointly or commonly owned right to payment between  
4 owners, the opportunity to contest the liability to the clerk  
5 by written application to the clerk within fifteen days of the  
6 mailing of the notice, and the person's opportunity to contest  
7 the collection entity's setoff procedure.

8     *g.* Upon the timely request of a person liable to a ~~state~~  
9 public agency or of the spouse of that person and upon receipt  
10 of the full name and social security number of the person's  
11 spouse, a ~~state~~ public agency shall notify the collection  
12 entity of the request to divide a jointly or commonly owned  
13 right to payment. Any jointly or commonly owned right to  
14 payment is rebuttably presumed to be owned in equal portions  
15 by its joint or common owners.

16     *h.* The collection entity shall, after the ~~state~~ public  
17 agency has sent notice to the person liable or, if the  
18 liability is owing and payable to the clerk of the district  
19 court, the collection entity has sent notice to the person  
20 liable, set off the amount owed to the agency against any  
21 amount which a ~~state~~ public agency owes that person. The  
22 collection entity shall refund any balance of the amount to  
23 the person. The collection entity shall periodically transfer  
24 amounts set off to the ~~state~~ public agencies entitled to them.  
25 If a person liable to a ~~state~~ public agency gives written  
26 notice of intent to contest an allegation, a ~~state~~ public  
27 agency shall hold a refund or rebate until final disposition  
28 of the allegation. Upon completion of the setoff, a ~~state~~  
29 public agency shall notify in writing the person who was liable  
30 or, if the liability is owing and payable to the clerk of the  
31 district court, shall comply with the procedures as provided  
32 in paragraph "j".

33     *i.* The department of revenue's existing right to credit  
34 against tax due or to become due under section 422.73 is not to  
35 be impaired by a right granted to or a duty imposed upon the

1 collection entity or other ~~state~~ public agency by this section.  
2 This section is not intended to impose upon the collection  
3 entity or the department of revenue any additional requirement  
4 of notice, hearing, or appeal concerning the right to credit  
5 against tax due under section 422.73.

6 *j.* If the alleged liability is owing and payable to the  
7 clerk of the district court and setoff as provided in this  
8 section is sought, all of the following shall apply:

9 (1) The judicial branch shall prescribe procedures to  
10 permit a person to contest the amount of the person's liability  
11 to the clerk of the district court.

12 (2) The collection entity shall, except for the procedures  
13 described in subparagraph (1), prescribe any other applicable  
14 procedures concerning setoff as provided in this subsection.

15 (3) Upon completion of the setoff, the collection entity  
16 shall file, at least monthly, with the clerk of the district  
17 court a notice of satisfaction of each obligation to the  
18 full extent of all moneys collected in satisfaction of the  
19 obligation. The clerk shall record the notice and enter a  
20 satisfaction for the amounts collected and a separate written  
21 notice is not required.

22 *k.* If the alleged liability is owing and payable to a  
23 community college and setoff pursuant to this section is  
24 sought, both of the following shall apply:

25 (1) In addition to satisfying other applicable setoff  
26 procedures established under this subsection, the community  
27 college shall prescribe procedures to permit a person to  
28 contest the amount of the person's liability to the community  
29 college. Such procedures shall be consistent with and ensure  
30 the protection of the person's right of due process under Iowa  
31 law.

32 (2) The collection entity shall, except for the procedures  
33 prescribed pursuant to subparagraph (1), prescribe any other  
34 applicable procedures concerning setoff as provided in this  
35 subsection.

1     3. In the case of multiple claims to payments filed under  
2 this section, priority shall be given to claims filed by the  
3 child support recovery unit or the foster care recovery unit,  
4 next priority shall be given to claims filed by the clerk of  
5 the district court, next priority shall be given to claims  
6 filed by the college student aid commission, next priority  
7 shall be given to claims filed by the investigations division  
8 of the department of inspections and appeals, and last priority  
9 shall be given to claims filed by other state public agencies.  
10 In the case of multiple claims in which the priority is not  
11 otherwise provided by this subsection, priority shall be  
12 determined in accordance with rules to be established by the  
13 director.

14     5. Under substantive rules established by the director, the  
15 department shall seek reimbursement from other state public  
16 agencies to recover its costs for setting off liabilities.

17     Sec. 12. Section 8B.9, subsection 2, Code 2014, is amended  
18 to read as follows:

19     2. ~~Internal service fund service business plans and~~  
20 ~~financial reports as required under section 8B.13, subsection~~  
21 ~~5, paragraph "a", and an An annual internal service fund~~  
22 ~~expenditure report as required under section 8B.13, subsection~~  
23 ~~5, paragraph "b".~~

24     Sec. 13. Section 8B.13, subsection 5, paragraph a, Code  
25 2014, is amended by striking the paragraph.

26     Sec. 14. Section 70A.25, subsection 3, Code 2014, is amended  
27 by striking the subsection.

28     Sec. 15. Section 99D.2, subsection 3, Code 2014, is amended  
29 to read as follows:

30     3. "*Claimant agency*" means a state public agency as  
31 defined in section 8A.504, subsection 1, or the state court  
32 administrator as defined in section 602.1101.

33     Sec. 16. Section 99F.1, subsection 4, Code 2014, is amended  
34 to read as follows:

35     4. "*Claimant agency*" means a state public agency as

1 defined in section 8A.504, subsection 1, or the state court  
2 administrator as defined in section 602.1101.

3 Sec. 17. 2003 Iowa Acts, chapter 179, section 21, unnumbered  
4 paragraph 4, as amended and redesignated as subsection 6, by  
5 2005 Iowa Acts, chapter 161, section 1, is amended to read as  
6 follows:

7 ~~6. The department or agency receiving funds under this~~  
8 ~~section shall report monthly to the fiscal committee of the~~  
9 ~~legislative council on the use of the funds.~~

10 Sec. 18. REPEAL. Section 8D.10, Code 2014, is repealed.

11 EXPLANATION

12 The inclusion of this explanation does not constitute agreement with  
13 the explanation's substance by the members of the general assembly.

14 This bill concerns various reporting and other time-specific  
15 or purchasing requirements applicable to the department of  
16 administrative services (DAS) and other state agencies.

17 Code section 7A.3, providing for biennial reports for  
18 various state officials and departments, is amended by striking  
19 the requirement that the officials and departments covered by  
20 this Code section also file a summary report in the year the  
21 biennial report is not required.

22 Code section 8A.110, concerning the state employee  
23 suggestion system, is amended by striking the requirement that  
24 each state agency keep a record of suggestions implemented for  
25 up to one year and the requirement that the DAS director file  
26 a report with the governor and the general assembly on the  
27 program each fiscal year.

28 Code section 8A.123, concerning department internal service  
29 funds, is amended by striking the requirement that the DAS  
30 director annually provide internal service fund service  
31 business plans and financial reports to the department of  
32 management and the general assembly. Code section 8A.111,  
33 concerning DAS reporting requirements, is also amended to  
34 conform to this change.

35 Code section 8A.315, concerning the purchase of recycled

1 products, is amended to allow the department of administrative  
2 services to purchase nonrecycled printing and writing paper if  
3 the purchase will result in significant savings to the state.

4 Code section 8A.321, concerning physical resources and  
5 facility management, is amended to remove the requirement  
6 that DAS annually issue a request for proposals for leasing  
7 privately owned office space for state employees in the  
8 downtown area of the city of Des Moines. Instead, the bill  
9 provides that DAS will issue the request for proposals when  
10 considering replacing or renovating publicly owned buildings or  
11 relocating any state agencies at the seat of government to any  
12 space in publicly owned buildings.

13 Code section 8A.362, concerning fleet management, is amended  
14 to eliminate the requirement that the DAS director submit an  
15 annual corporate average fuel economy standards compliance  
16 report to the economic development authority. Code section  
17 8A.111, concerning DAS reporting requirements, is also amended  
18 to conform to this change.

19 Code section 8A.378, concerning state capitol view  
20 preservation, is amended to delete the requirement that  
21 DAS provide quarterly reports relative to the capitol view  
22 preservation plan to the governor and the capitol planning  
23 commission.

24 Code section 8A.504, concerning setoff procedures, is  
25 amended to eliminate the requirement that the state agency  
26 asserting a setoff payment against a person send a copy of the  
27 notice sent to that person to DAS or other state agency that  
28 has established a debt collection setoff procedure. The Code  
29 section is also amended to provide that all public agencies  
30 eligible to use the setoff procedures shall provide the debtor  
31 with an opportunity to contest the liability. Finally, the  
32 bill redesignates the term as "public agency" rather than the  
33 current "state agency" in Code section 8A.504 while keeping the  
34 definition the same and makes changes to other Code provisions  
35 reflecting the redesignated term.

1 Code section 8B.13, concerning internal service funds, is  
2 amended by striking the requirement that the chief information  
3 officer annually provide internal service fund service business  
4 plans and financial reports to the department of management and  
5 the general assembly. Code section 8B.9, concerning reporting  
6 requirements, is also amended to conform to this change.

7 Code section 70A.25, concerning educational leave, is  
8 amended to eliminate the reporting and review requirements  
9 relative to the program contained within that Code section.

10 2003 Iowa Acts, chapter 179, section 21, as amended in 2004  
11 and 2005, concerning an appropriation related to military pay  
12 differential, is amended to eliminate the requirement that each  
13 department or agency receiving funds from this appropriation  
14 report monthly to the fiscal committee of the legislative  
15 council on the use of the funds.

16 Code section 8D.10, concerning report of savings by state  
17 agencies concerning their use of the Iowa communications  
18 network, is repealed.